

## ENVIRONMENTAL LEADERSHIP TO SUSTAIN CALIFORNIA'S ECONOMIC PROGRESS

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Since taking office in January 1999, California State Treasurer Phil Angelides has taken a statewide and national leadership role in forging investment policies and programs to foster sustainable development and sound environmental practices that contribute to long-term economic progress. Here are a few of Treasurer Angelides' policy initiatives aimed at enhancing California's quality of life and economic competitiveness:

### ◆ ***Making Smart Investments***

Treasurer Angelides' innovative *Smart Investments* and *Double Bottom Line* investment initiatives have directed more than \$14 billion in investments to spur economic progress in California communities, while at the same time curbing sprawl and promoting sustainable growth patterns that will benefit the State's economy and environment over the long term. Under the Treasurer's nationally acclaimed *Smart Investments* initiative, the award of funding for a variety of purposes – from affordable housing to business expansion – now takes into account sustainable development goals, such as energy efficiency, location in community revitalization areas, and proximity to transit, schools, and parks. The Treasurer's policy initiative – *The Double Bottom Line: Investing in California's Emerging Markets* – directs investment capital to California's inner-city and underserved communities, thereby reducing growth pressures on the urban fringe and reducing commutes and air pollution. This initiative seeks to achieve the "double bottom line" goals of solid returns for the State's pension and investment funds and sustainable economic development in urban neighborhoods.

### ◆ ***Catching the 'Green Wave' of Environmental Investments***

In February 2003, Treasurer Angelides announced the *Green Wave* environmental investment initiative, which calls on the State's two large public pension funds to implement a strategy to bolster their financial returns, create jobs, and clean up the environment. The Treasurer's initiative urges the California Public Employees' Retirement System (CalPERS) and the California State Teachers' Retirement System (CalSTRS) to commit \$1.5 billion to investments in the burgeoning environmental technology sector and in environmentally responsible companies, while also reducing the risks posed to the pension funds by corporate environmental liabilities. CalPERS has approved the first two pieces of the Treasurer's proposal, committing to an initial investment of up to \$200 million in the clean technology sector over the next few years, and up to \$500 million in environmentally screened stock funds.

### ◆ ***Financing Development of Renewable Resources and Energy Conservation***

In January 2001, Treasurer Angelides sponsored successful legislation to establish the California Consumer Power and Conservation Financing Authority, with the goal of reducing California's dependence on fossil fuels and private, out-of-state energy generators. The public power authority's core mission is to finance the development of renewable energy sources – such as wind, solar, geothermal and other clean, alternative energy sources – and to provide low-cost financing for energy conservation and efficiency improvements for businesses and homeowners.

### ◆ ***Cleaning Up Toxic "Brownfields"***

As Chairman of the California Pollution Control Financing Authority, Angelides initiated Cal ReUSE – a \$10 million program to finance assessment and cleanup of brownfields – contaminated

properties in the midst of California communities. These properties, estimated to be in the tens of thousands across the State, not only pose environmental and health risks, but also cause blight in California's urban neighborhoods. Cal ReUSE helps return brownfield sites to productive use and revitalize economically struggling neighborhoods.

◆ ***Strengthening Environmental Standards for Investing in Developing Countries***

As a CalPERS board member, Angelides sponsored the adoption of a landmark, first in the nation policy affecting over \$1 billion in pension fund investments in developing countries. The policy is designed to improve the long-term performance of CalPERS' investments in these overseas emerging markets, by helping screen out investments in countries and companies that do not adhere to the Global Sullivan Principles which include, among other things, protection of the environment and promotion of sustainable development.

◆ ***Helping Cities and Counties Pursue Smart Growth Initiatives***

Treasurer Angelides established the Sustainable Communities Grant and Loan Program to promote sustainable development, revitalize economically struggling neighborhoods, and curb sprawl. The program has provided over \$4 million for locally sponsored smart growth initiatives which incorporate creative approaches and provide models that can be replicated in other communities. Projects funded incorporate a diverse set of strategies and goals including historic restoration, construction of affordable infill housing, creation of transit oriented development, and effective regional planning.

◆ ***Locating State Offices According to Smart Growth Standards***

Angelides led the successful drive for the adoption of a smart growth policy for State offices, setting a standard that State owned buildings and State leased office space should be, to the extent possible, located near public transportation, affordable housing, and retail services; designed to accommodate a mix of uses; and sited with a goal of reducing sprawl. The State currently owns or leases over 34 million square feet of office space at more than 2,400 locations.

◆ ***Eliminating Unnecessary Gas Guzzlers From State's Vehicle Fleet***

In June 2003, Treasurer Angelides sponsored successful legislation that will cut air pollution, save taxpayer dollars and reduce the State's dependence on oil by weeding out unnecessary gas-guzzlers from California's fleet of 73,000 state-owned vehicles and by requiring the purchase of more fuel-efficient vehicles. The legislation also limits state agencies from purchasing or leasing Sport Utility Vehicles (SUVs).

◆ ***Building Livable Communities***

Prior to serving as Treasurer, Angelides was the driving force behind the creation of the new town of Laguna West in Sacramento – which was featured in *Time*, *Newsweek*, the *New York Times* and *US News and World Report* among other media, as a model community. Angelides was an early leader in the New Urbanist, sustainable development movement, which promotes the design of environmentally responsible, transit-oriented, pedestrian communities.

Treasurer Angelides' environmental leadership has been widely recognized. He has received the following awards, among others, for his groundbreaking policies: The Local Environmental Leadership Award, presented by Global Green; The 2000 Planning Vision California Award, presented by the American Planning Association; The Greening Award, presented by the Los Angeles Department of Water and Power; and the 25<sup>th</sup> Anniversary Tribute, presented by Urban Ecology.